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## **Income Tax Credit Review Amendments**

## 2025 GENERAL SESSION STATE OF UTAH

**Chief Sponsor: Daniel McCay** 

House Sponsor: Steve Eliason

2 3 **LONG TITLE** 4 **Committee Note:** 5 The Revenue and Taxation Interim Committee recommended this bill. 6 Legislative Vote: 12 voting for 0 voting against 6 absent 7 **General Description:** 8 This bill modifies the process for income tax credit review. 9 **Highlighted Provisions:** This bill: 10 11 • extends the income tax credit review cycle from three years to five years; 12 provides a process for the Office of the Legislative Auditor General to audit the income tax credits: and 13 14 makes technical changes. 15 **Money Appropriated in this Bill:** 16 None 17 **Other Special Clauses:** 18 None 19 **Utah Code Sections Affected:** 20 AMENDS: 21 **59-7-159**, as last amended by Laws of Utah 2022, Chapters 264, 274 22 **59-7-614.2**, as last amended by Laws of Utah 2022, Chapter 200 23 **59-7-614.5**, as last amended by Laws of Utah 2021, Chapter 282 24 **59-7-614.7**, as last amended by Laws of Utah 2023, Chapter 482 25 **59-7-614.10**, as last amended by Laws of Utah 2021, Chapter 282 26 **59-7-619**, as last amended by Laws of Utah 2023, Chapter 473 27 **59-10-137**, as last amended by Laws of Utah 2023, Chapter 460 **59-10-1025**, as last amended by Laws of Utah 2019, Chapter 465 28 29 **59-10-1029**, as last amended by Laws of Utah 2023, Chapter 482 30 **59-10-1034**, as last amended by Laws of Utah 2021, Chapters 64, 280 and last amended

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	by Coordination Clause, Laws of Utah 2021, Chapter 280
	<b>59-10-1037</b> , as last amended by Laws of Utah 2021, Chapter 282
	<b>59-10-1107</b> , as last amended by Laws of Utah 2021, Chapter 282
	<b>59-10-1108</b> , as last amended by Laws of Utah 2021, Chapter 282
E	NACTS:
	<b>36-12-15.4</b> , Utah Code Annotated 1953
Б	e it enacted by the Legislature of the state of Utah:
	Section 1. Section <b>36-12-15.4</b> is enacted to read:
	36-12-15.4 . Income tax credit audits.
(	1) As used in this section:
	(a) "Committee" means the Revenue and Taxation Interim Committee.
	(b) "Income tax credit" means a state tax credit described in Title 59, Chapter 7,
	Corporate Franchise and Income Taxes, or Title 59, Chapter 10, Individual Income
	Tax Act.
	(c) "Office" means the Office of the Legislative Auditor General.
<u>(</u>	2) In addition to other audits performed by the office, the office shall conduct, in
	accordance with this section and under the direction of the Legislative Audit
	Subcommittee, a comprehensive performance audit of the income tax credits.
<u>(</u> .	3)(a) On or before August 31 of each year, the committee may refer a list of income tax
	credits to the office that the committee recommends for audit.
	(b) The list may include an order in which the committee prefers the office to conduct
	the income tax credit audit.
(4	4) If the committee does not refer a list of income tax credits, the office shall select which
	income tax credits to audit, considering the income tax credit's usage in terms of dollars
	and vulnerability to error or fraud.
	Section 2. Section <b>59-7-159</b> is amended to read:
	59-7-159. Review of credits allowed under this chapter.
(	1) As used in this section, "committee" means the Revenue and Taxation Interim
	Committee.
(′.	2)[(a) The committee shall review the tax credits described in this chapter as provided
	in Subsection (3) and make recommendations concerning whether the tax credits
	should be continued, modified, or repealed.]
	(a) The committee shall review each tax credit described in this chapter once every five

65	years to determine whether to continue, modify, or repeal the tax credit.
66	(b) In conducting the review required under Subsection (2)(a), the committee shall:
67	(i) schedule time on [at least one] a committee agenda to conduct the review as needed;
68	(ii) invite state agencies, individuals, and organizations concerned with [the] a tax
69	credit under review to provide oral or written testimony;
70	(iii)(A) invite the Governor's Office of Economic Opportunity to present a
71	summary and analysis of the information for each tax credit regarding which
72	the Governor's Office of Economic Opportunity is required to make a report
73	under this chapter; and
74	(B) invite the Office of the Legislative Fiscal Analyst to present a summary and
75	analysis of the information for each tax credit regarding which the Office of the
76	Legislative Fiscal Analyst is required to make a report under this chapter;
77	(iv) [ensure that the committee's recommendations described in this section include
78	an evaluation of] evaluate:
79	(A) the cost of the tax credit to the state;
80	(B) the purpose and effectiveness of the tax credit; and
81	(C) the extent to which the state benefits from the tax credit; and
82	(v) undertake other review efforts as determined by the committee chairs or as
83	otherwise required by law.
84	[(3)(a) On or before November 30, 2017, and every three years after 2017, the
84a	committee
85	shall conduct the review required under Subsection (2) of the tax credits allowed
85a	<del>under</del>
86	the following sections:
87	[(i) Section 59-7-601;]
88	[ <del>(ii)</del> Section 59-7-607;]
89	[ <del>(iii)</del> Section 59-7-612;]
90	[(iv) Section 59-7-614.1; and]
91	[ <del>(v)</del> Section 59-7-614.5.]
92	[(b) On or before November 30, 2018, and every three years after 2018, the committee
93	shall conduct the review required under Subsection (2) of the tax credits allowed
93a	<del>under</del>
94	the following sections:]
95	[ <del>(i)</del> Section 59-7-609;]

96	[ <del>(ii)</del> Section 59-7-614.2;]
97	[(iii) Section 59-7-614.10; and]
98	[ <del>(iv)</del> Section 59-7-619.]
99	[(e) On or before November 30, 2019, and every three years after 2019, the committee
100	shall conduct the review required under Subsection (2) of the tax credits allowed
100a	under
101	the following sections:]
102	[ <del>(i)</del> Section 59-7-610;]
103	[ <del>(ii)</del> Section 59-7-614; and]
104	[ <del>(iii)</del> Section 59-7-614.7.]
105	[(d)(i) In addition to the reviews described in this Subsection (3), the committee
105a	shall
106	conduct a review of a tax credit described in this chapter that is enacted on or after
107	<del>January 1, 2017.</del> ]
108	[(ii) The committee shall complete a review described in this Subsection (3)(d) three
108a	<del>years</del>
109	after the effective date of the tax credit and every three years after the initial
109a	review date.]
110	Section 3. Section <b>59-7-614.2</b> is amended to read:
111	59-7-614.2 . Refundable economic development tax credit.
112	(1) As used in this section:
113	(a) "Business entity" means a taxpayer that meets the definition of "business entity" as
114	defined in Section 63N-2-103.
115	(b) "Incremental job" means the same as that term is defined in Section 63N-1a-102.
116	(c) "New state revenue" means the same as that term is defined in Section 63N-1a-102.
117	(d) "Office" means the Governor's Office of Economic Opportunity.
118	(2) Subject to the other provisions of this section, a business entity may claim a refundable
119	tax credit for economic development.
120	(3) The tax credit under this section is the amount listed as the tax credit amount on the tax
121	credit certificate that the office issues to the business entity for the taxable year.
122	(4)(a) In accordance with any rules prescribed by the commission under Subsection
123	(4)(b), the commission shall make a refund to a business entity that claims a tax
124	credit under this section if the amount of the tax credit exceeds the business entity's
125	tax liability for a taxable year.

126	(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
127	commission may make rules providing procedures for making a refund to a business
128	entity as required by Subsection (4)(a).
129	(5)[(a) In accordance with Section 59-7-159, the Revenue and Taxation Interim
130	Committee shall study the tax credit allowed by this section and make
131	recommendations concerning whether the tax credit should be continued, modified,
132	or repealed.]
133	[(b) Except as provided in Subsection (5)(c), for purposes of the study required by this
134	Subsection (5), ]
135	(a) To assist the Revenue and Taxation Interim Committee with the review required by
136	Section 59-7-159, the office shall provide the following information, if available to
137	the office, to the Revenue and Taxation Interim Committee by electronic means:
138	(i) the amount of tax credit that the office grants to each business entity for each
139	calendar year;
140	(ii) the criteria that the office uses in granting a tax credit;
141	(iii) the new state revenue generated by the business entity for the calendar year;
142	(iv) estimates for each of the next three calendar years of the following:
143	(A) the amount of tax credits that the office will grant;
144	(B) the amount of new state revenue that will be generated; and
145	(C) the number of new incremental jobs within the state that will be generated;
146	(v) the information contained in the office's latest report under Section 63N-2-106;
147	and
148	(vi) any other information that the Revenue and Taxation Interim Committee requests.
149	[(e)(i)] In providing the information described in Subsection $[(5)(b)]$ $(5)(a)$ , the office
150	shall redact information that identifies a recipient of a tax credit under this section.
151	[(ii)] (b) If, notwithstanding the redactions made under Subsection $[(5)(e)(i)]$ (5)(b),
152	reporting the information described in Subsection $[(5)(b)]$ $(5)(a)$ might disclose the
153	identity of a recipient of a tax credit, the office may file a request with the Revenue
154	and Taxation Interim Committee to provide the information described in Subsection [
155	(5)(b)] $(5)(a)$ in the aggregate for all business entities that receive the tax credit under
156	this section.
157	[(d) The Revenue and Taxation Interim Committee shall ensure that the
158	recommendations described in Subsection (5)(a) include an evaluation of:]
159	[(i) the cost of the tax credit to the state;]

160	[(ii) the purpose and effectiveness of the tax credit; and]
161	[(iii) the extent to which the state benefits from the tax credit.]
162	Section 4. Section <b>59-7-614.5</b> is amended to read:
163	59-7-614.5 . Refundable motion picture tax credit.
164	(1) As used in this section:
165	(a) "Motion picture company" means a taxpayer that meets the definition of a motion
166	picture company under Section 63N-8-102.
167	(b) "Office" means the Governor's Office of Economic Opportunity created in Section
168	63N-1a-301.
169	(c) "State-approved production" means the same as that term is defined in Section
170	63N-8-102.
171	(2) [For a taxable year beginning on or after January 1, 2009, a] A motion picture company
172	may claim a refundable tax credit for a state-approved production.
173	(3) The tax credit under this section is the amount listed as the tax credit amount on the tax
174	credit certificate that the office issues to a motion picture company under Section
175	63N-8-103 for the taxable year.
176	(4)(a) In accordance with any rules prescribed by the commission under Subsection
177	(4)(b), the commission shall make a refund to a motion picture company that claims a
178	tax credit under this section if the amount of the tax credit exceeds the motion picture
179	company's tax liability for a taxable year.
180	(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
181	commission may make rules providing procedures for making a refund to a motion
182	picture company as required by Subsection (4)(a).
183	(5)[(a) In accordance with Section 59-7-159, the Revenue and Taxation Interim
184	Committee shall study the tax credit allowed by this section and make
185	recommendations concerning whether the tax credit should be continued, modified,
186	or repealed.]
187	[(b)] (a)(i) [Except as provided in Subsection (5)(b)(ii), for purposes of the study
188	required by this Subsection (5), the] To assist the Revenue and Taxation Interim
189	Committee with the review required by Section 59-7-159, the office shall provide
190	the following information, if available to the office, to the Office of the
191	Legislative Fiscal Analyst by electronic means:
192	(A) the amount of tax credit that the office grants to each motion picture company
193	for each calendar year;

194	(B) estimates of the amount of tax credit that the office will grant for each of the
195	next three calendar years;
196	(C) the criteria that the office uses in granting the tax credit;
197	(D) the dollars left in the state, as defined in Section 63N-8-102, by each motion
198	picture company for each calendar year;
199	(E) the information contained in the office's latest report under Section 63N-1a-306;
200	and
201	(F) any other information that the Office of the Legislative Fiscal Analyst requests.
202	[ <del>(ii)</del> ]
203	[(A)] (ii) In providing the information described in Subsection [(5)(b)(i)] (5)(a)(i), the
204	office shall redact information that identifies a recipient of a tax credit under this
205	section.
206	[ $(B)$ ] $(iii)$ If, notwithstanding the redactions made under Subsection [ $(5)(b)(ii)(A)$ ]
207	(5)(a)(ii), reporting the information described in Subsection $[(5)(b)(i)]$ $(5)(a)(i)$
208	might disclose the identity of a recipient of a tax credit, the office may file a
209	request with the Revenue and Taxation Interim Committee to provide the
210	information described in Subsection $[(5)(b)(i)]$ $(5)(a)(i)$ in the aggregate for all
211	motion picture companies that receive the tax credit under this section.
212	[(c)] (b) [As part of the study required by this Subsection (5), the] The Office of the
213	Legislative Fiscal Analyst shall report to the Revenue and Taxation Interim
214	Committee a summary and analysis of the information provided to the Office of the
215	Legislative Fiscal Analyst by the office under Subsection $[(5)(b)]$ $(5)(a)$ .
216	[(d) The Revenue and Taxation Interim Committee shall ensure that the
217	recommendations described in Subsection (5)(a) include an evaluation of:]
218	[(i) the cost of the tax credit to the state;]
219	[(ii) the effectiveness of the tax credit; and]
220	[(iii) the extent to which the state benefits from the tax credit.]
221	Section 5. Section <b>59-7-614.7</b> is amended to read:
222	59-7-614.7 . Nonrefundable alternative energy development tax credit.
223	(1) As used in this section:
224	(a) "Alternative energy entity" means the same as that term is defined in Section
225	79-6-502.
226	(b) "Alternative energy project" means the same as that term is defined in Section
227	79-6-502

228	(c) "Office" means the Office of Energy Development created in Section 79-6-401.
229	(2) Subject to the other provisions of this section, an alternative energy entity may claim a
230	nonrefundable tax credit for alternative energy development as provided in this section.
231	(3) The tax credit under this section is the amount listed as the tax credit amount on a tax
232	credit certificate that the office issues under Title 79, Chapter 6, Part 5, Alternative
233	Energy Development Tax Credit Act, to the alternative energy entity for the taxable year.
234	(4) An alternative energy entity may carry forward a tax credit under this section for a
235	period that does not exceed the next seven taxable years if:
236	(a) the alternative energy entity is allowed to claim a tax credit under this section for a
237	taxable year; and
238	(b) the amount of the tax credit exceeds the alternative energy entity's tax liability under
239	this chapter for that taxable year.
240	(5)[(a) In accordance with Section 59-7-159, the Revenue and Taxation Interim
241	Committee shall study the tax credit allowed by this section and make
242	recommendations concerning whether the tax credit should be continued, modified,
243	or repealed.]
244	[(b)] (a)(i) [Except as provided in Subsection (5)(b)(ii), for purposes of the study
245	required by this Subsection (5), the] To assist the Revenue and Taxation Interim
246	Committee with the review required by Section 59-7-159, the office shall provide
247	the following information, if available to the office, to the Office of the
248	Legislative Fiscal Analyst by electronic means:
249	(A) the amount of tax credit that the office grants to each alternative energy entity
250	for each taxable year;
251	(B) the new state revenues generated by each alternative energy project;
252	(C) the information contained in the office's latest report under Section 79-6-505;
253	and
254	(D) any other information that the Office of the Legislative Fiscal Analyst
255	requests.
256	[ <del>(ii)</del> ]
257	[(A)] (ii) In providing the information described in Subsection [(5)(b)(i)] (5)(a)(i), the
258	office shall redact information that identifies a recipient of a tax credit under this
259	section.
260	[ $(B)$ ] $(iii)$ If, notwithstanding the redactions made under Subsection [ $(5)(b)(ii)(A)$ ]
261	(5)(a)(ii), reporting the information described in Subsection $[(5)(b)(i)]$ $(5)(a)(i)$

262	might disclose the identity of a recipient of a tax credit, the office may file a
263	request with the Revenue and Taxation Interim Committee to provide the
264	information described in Subsection $[(5)(b)(i)]$ $(5)(a)(i)$ in the aggregate for all
265	alternative energy entities that receive the tax credit under this section.
266	[(e)] (b) [As part of the study required by this Subsection (5), the] The Office of the
267	Legislative Fiscal Analyst shall report to the Revenue and Taxation Interim
268	Committee a summary and analysis of the information provided to the Office of the
269	Legislative Fiscal Analyst by the office under Subsection $[(5)(b)]$ $(5)(a)$ .
270	[(d) The Revenue and Taxation Interim Committee shall ensure that the
271	recommendations described in Subsection (5)(a) include an evaluation of:]
272	[(i) the cost of the tax credit to the state;]
273	[(ii) the purpose and effectiveness of the tax credit; and]
274	[(iii) the extent to which the state benefits from the tax credit.]
275	(6) A taxpayer may not claim or carry forward a tax credit described in Subsection (2) in a
276	taxable year during which the taxpayer claims or carries forward a tax credit under
277	Section 59-7-614.
278	Section 6. Section <b>59-7-614.10</b> is amended to read:
279	59-7-614.10 . Nonrefundable enterprise zone tax credit.
280	(1) As used in this section:
281	(a) "Business entity" means a corporation that meets the definition of "business entity"
282	as that term is defined in Section 63N-2-202.
283	(b) "Office" means the Governor's Office of Economic Opportunity created in Section
284	63N-1a-301.
285	(2) Subject to the provisions of this section, a business entity may claim a nonrefundable
286	enterprise zone tax credit as described in Section 63N-2-213.
287	(3) The enterprise zone tax credit under this section is the amount listed as the tax credit
288	amount on the tax credit certificate that the office issues to the business entity for the
289	taxable year.
290	(4) A business entity may carry forward a tax credit under this section for a period that does
291	not exceed the next three taxable years, if the amount of the tax credit exceeds the
292	business entity's tax liability under this chapter for that taxable year.
293	(5) A business entity may not claim or carry forward a tax credit under this part for a
294	taxable year during which the business entity has claimed the targeted business income
295	tax credit under Section 59-7-624

296	(6)[(a) In accordance with Section 59-7-159, the Revenue and Taxation Interim
297	Committee shall study the tax credit allowed by this section and make
298	recommendations concerning whether the tax credit should be continued, modified,
299	or repealed.]
300	[(b)] (a)(i) [Except as provided in Subsection (6)(b)(ii), for purposes of the study
301	required by this Subsection (6),] To assist the Revenue and Taxation Interim
302	Committee with the review required by Section 59-7-159, the office shall provide
303	by electronic means the following information for each calendar year to the Office
304	of the Legislative Fiscal Analyst:
305	(A) the amount of tax credits provided in each development zone;
306	(B) the number of new full-time employee positions reported to obtain tax credits
307	in each development zone;
308	(C) the amount of tax credits awarded for rehabilitating a building in each
309	development zone;
310	(D) the amount of tax credits awarded for investing in a plant, equipment, or other
311	depreciable property in each development zone;
312	(E) the information related to the tax credit contained in the office's latest report
313	under Section 63N-1a-301; and
314	(F) any other information that the Office of the Legislative Fiscal Analyst requests.
315	(ii)[ $(A)$ ] In providing the information described in Subsection [ $(6)(b)(i)$ ] $(6)(a)(i)$ ,
316	the office shall redact information that identifies a recipient of a tax credit
317	under this section.
318	[(B)] (iii) If, notwithstanding the redactions made under Subsection [(6)(b)(ii)(A)]
319	(6)(a)(ii), reporting the information described in Subsection $[(6)(b)(i)]$ $(6)(a)(i)$
320	might disclose the identity of a recipient of a tax credit, the office may file a
321	request with the Revenue and Taxation Interim Committee to provide the
322	information described in Subsection $[(6)(b)(i)]$ $(6)(a)(i)$ in the aggregate for all
323	development zones that receive the tax credit under this section.
324	[(e)] (b) [As part of the study required by this Subsection (6), the] The Office of the
325	Legislative Fiscal Analyst shall report to the Revenue and Taxation Interim
326	Committee a summary and analysis of the information provided to the Office of the
327	Legislative Fiscal Analyst by the office under Subsection $[(6)(b)]$ $(6)(a)$ .
328	[(d) The Revenue and Taxation Interim Committee shall ensure that the
329	recommendations described in Subsection (6)(a) include an evaluation of:]

330	[(i) the cost of the tax credit to the state;]
331	[(ii) the purpose and effectiveness of the tax credit; and]
332	[(iii) the extent to which the state benefits from the tax credit.]
333	Section 7. Section <b>59-7-619</b> is amended to read:
334	59-7-619 . Nonrefundable high cost infrastructure development tax credit.
335	(1) As used in this section:
336	(a) "High cost infrastructure project" means the same as that term is defined in Section
337	79-6-602.
338	(b) "Infrastructure cost-burdened entity" means the same as that term is defined in
339	Section 79-6-602.
340	(c) "Infrastructure-related revenue" means the same as that term is defined in Section
341	79-6-602.
342	(d) "Office" means the Office of Energy Development created in Section 79-6-401.
343	(2) Subject to the other provisions of this section, a corporation that is an infrastructure
344	cost-burdened entity may claim a nonrefundable tax credit for development of a high
345	cost infrastructure project as provided in this section.
346	(3) The tax credit under this section is the amount listed as the tax credit amount on a tax
347	credit certificate that the office issues under Title 79, Chapter 6, Part 6, High Cost
348	Infrastructure Development Tax Credit Act, to the infrastructure cost-burdened entity for
349	the taxable year.
350	(4) An infrastructure cost-burdened entity may carry forward a tax credit under this section
351	for a period that does not exceed the next seven taxable years if:
352	(a) the infrastructure cost-burdened entity is allowed to claim a tax credit under this
353	section for a taxable year; and
354	(b) the amount of the tax credit exceeds the infrastructure cost-burdened entity's tax
355	liability under this chapter for that taxable year.
356	(5)(a) [In accordance with Section 59-7-159, the Revenue and Taxation Interim
357	Committee shall study the tax credit allowed by this section and make
358	recommendations concerning whether the tax credit should be continued, modified,
359	or repealed.]
360	[(b)(i) Except as provided in Subsection (5)(b)(ii), for purposes of the study
361	required by this Subsection (5),
362	(i) To assist the Revenue and Taxation Interim Committee with the review required
363	by Section 59-7-159, the office shall provide the following information, if

364	available to the office, to the Office of the Legislative Fiscal Analyst:
365	(A) the amount of tax credit that the office grants to each infrastructure
366	cost-burdened entity for each taxable year;
367	(B) the infrastructure-related revenue generated by each high cost infrastructure
368	project;
369	(C) the information contained in the office's latest report under Section 79-6-605
370	and
371	(D) any other information that the Office of the Legislative Fiscal Analyst
372	requests.
373	[ <del>(ii)</del> ]
374	[(A)] (ii) In providing the information described in Subsection [(5)(b)(i)] (5)(a)(i), the
375	office shall redact information that identifies a recipient of a tax credit under this
376	section.
377	[(B)] (iii) If, notwithstanding the redactions made under Subsection [(5)(b)(ii)(A)]
378	(5)(a)(ii), reporting the information described in Subsection $[(5)(b)(i)]$ $(5)(a)(i)$
379	might disclose the identity of a recipient of a tax credit, the office may file a
380	request with the Revenue and Taxation Interim Committee to provide the
381	information described in Subsection $[(5)(b)(i)]$ $(5)(a)(i)$ in the aggregate for all
382	infrastructure cost-burdened entities that receive the tax credit under this section.
383	[(c)] (b) [As part of the study required by this Subsection (5), the] The Office of the
384	Legislative Fiscal Analyst shall report to the Revenue and Taxation Interim
385	Committee a summary and analysis of the information provided to the Office of the
386	Legislative Fiscal Analyst by the office under Subsection $[(5)(b)]$ $(5)(a)$ .
387	[(d) The Revenue and Taxation Interim Committee shall ensure that the
388	recommendations described in Subsection (5)(a) include an evaluation of:]
389	[(i) the cost of the tax credit to the state;]
390	[(ii) the purpose and effectiveness of the tax credit; and]
391	[(iii) the extent to which the state benefits from the tax credit.]
392	(6) Notwithstanding Section 59-7-903, the commission may not remove the tax credit
393	described in this section from the tax return for a taxable year beginning before January
394	1, 2027.
395	Section 8. Section <b>59-10-137</b> is amended to read:
396	59-10-137. Review of credits allowed under this chapter.
397	(1) As used in this section, "committee" means the Revenue and Taxation Interim

398	Committee.
399	(2)[(a) The committee shall review the tax credits described in this chapter as provided
400	in Subsection (3) and make recommendations concerning whether the tax credits
401	should be continued, modified, or repealed.]
402	(a) The committee shall review each tax credit described in this chapter once every five
403	years to determine whether to continue, modify, or repeal the tax credit.
404	(b) In conducting the review required under Subsection (2)(a), the committee shall:
405	(i) schedule time on [at least one] a committee agenda to conduct the review as needed;
406	(ii) invite state agencies, individuals, and organizations concerned with [the] a tax
407	credit under review to provide oral or written testimony;
408	(iii)(A) invite the Governor's Office of Economic Opportunity to present a
409	summary and analysis of the information for each tax credit regarding which
410	the Governor's Office of Economic Opportunity is required to make a report
411	under this chapter; and
412	(B) invite the Office of the Legislative Fiscal Analyst to present a summary and
413	analysis of the information for each tax credit regarding which the Office of the
414	Legislative Fiscal Analyst is required to make a report under this chapter;
415	(iv) [ensure that the committee's recommendations described in this section include
416	an evaluation of] evaluate:
417	(A) the cost of the tax credit to the state;
418	(B) the purpose and effectiveness of the tax credit; and
419	(C) the extent to which the state benefits from the tax credit; and
420	(v) undertake other review efforts as determined by the committee chairs or as
421	otherwise required by law.
422	[(3)(a) On or before November 30, 2017, and every three years after 2017, the
422a	committee
423	shall conduct the review required under Subsection (2) of the tax credits allowed
423a	<del>under</del>
424	the following sections:]
425	[ <del>(i)</del> Section 59-10-1004;]
426	[ <del>(ii)</del> Section 59-10-1010;]
427	[ <del>(iii)</del> Section 59-10-1015;]
428	[ <del>(iv)</del> Section 59-10-1025;]
429	[ <del>(v)</del> Section 59-10-1027;]

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[(vi) Section 59-10-1031;]
 430
 431
               (vii) Section 59-10-1032;
 432
                [(viii) Section 59-10-1035;]
 433
               (ix) Section 59-10-1105; and
 434
                [(x) Section 59-10-1108.]
 435
            (b) On or before November 30, 2018, and every three years after 2018, the committee
 436
                shall conduct the review required under Subsection (2) of the tax credits allowed
                under
436a
 437
               the following sections:
 438
               (i) Section 59-10-1005;
 439
               (ii) Section 59-10-1006;
 440
               (iii) Section 59-10-1012;
 441
               (iv) Section 59-10-1022;
 442
               [(v) Section 59-10-1023;]
 443
               [(vi) Section 59-10-1028;]
 444
               [(vii) Section 59-10-1034;]
 445
               (viii) Section 59-10-1037; and
 446
               (ix) Section 59-10-1107.
 447
            (c) On or before November 30, 2019, and every three years after 2019, the committee
 448
                shall conduct the review required under Subsection (2) of the tax credits allowed
448a
                under
 449
               the following sections:
 450
               (i) Section 59-10-1007;
               [(ii) Section 59-10-1014;]
 451
 452
               [(iii) Section 59-10-1017;]
 453
               (iv) Section 59-10-1018;
 454
               (v) Section 59-10-1019;
 455
               [(vi) Section 59-10-1024;]
 456
               (vii) Section 59-10-1029;
 457
               [(viii) Section 59-10-1036;]
 458
               [(ix) Section 59-10-1106; and]
 459
                [(x) Section 59-10-1111.]
 460
            I(d)(i) In addition to the reviews described in this Subsection (3), the committee
460a
                shall
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461	conduct a review of a tax credit described in this chapter that is enacted on or after
462	<del>January 1, 2017.</del> ]
463	[(ii) The committee shall complete a review described in this Subsection (3)(d) three
463a	<del>years</del>
464	after the effective date of the tax credit and every three years after the initial
464a	review date.]
465	Section 9. Section <b>59-10-1025</b> is amended to read:
466	59-10-1025. Nonrefundable tax credit for investment in certain life science
467	establishments.
468	(1) As used in this section:
469	(a) "Commercial domicile" means the principal place from which the trade or business
470	of a Utah small business corporation is directed or managed.
471	(b) "Eligible claimant, estate, or trust" means the same as that term is defined in Section
472	63N-2-802.
473	(c) "Life science establishment" means an establishment primarily engaged in the
474	development or manufacture of products in one or more of the following categories:
475	(i) biotechnologies;
476	(ii) medical devices;
477	(iii) medical diagnostics; and
478	(iv) pharmaceuticals.
479	(d) "Office" means the Governor's Office of Economic Opportunity.
480	(e) "Pass-through entity" means the same as that term is defined in Section 59-10-1402.
481	(f) "Pass-through entity taxpayer" means the same as that term is defined in Section
482	59-10-1402.
483	(g) "Qualifying ownership interest" means an ownership interest that is:
484	(i)(A) common stock;
485	(B) preferred stock; or
486	(C) an ownership interest in a pass-through entity;
487	(ii) originally issued to:
488	(A) an eligible claimant, estate, or trust; or
489	(B) a pass-through entity if the eligible claimant, estate, or trust that claims a tax
490	credit under this section was a pass-through entity taxpayer of the pass-through
491	entity on the day on which the qualifying ownership interest was issued and
492	remains a pass-through entity taxpayer of the pass-through entity until the last

493	day of the taxable year for which the eligible claimant, estate, or trust claims a
494	tax credit under this section; and
495	(iii) issued:
496	(A) by a Utah small business corporation;
497	(B) on or after January 1, 2011; and
498	(C) for money or other property, except for stock or securities.
499	(h)(i) Except as provided in Subsection (1)(h)(ii), "Utah small business corporation"
500	means the same as that term is defined in Section 59-10-1022.
501	(ii) For purposes of this section, a corporation under Section 1244(c)(3)(A), Internal
502	Revenue Code, is considered to include a pass-through entity.
503	(2) Subject to the other provisions of this section, [for a taxable year beginning on or after
504	January 1, 2011, ]an eligible claimant, estate, or trust that holds a tax credit certificate
505	issued to the eligible claimant, estate, or trust in accordance with Section 63N-2-808 for
506	that taxable year may claim a nonrefundable tax credit in an amount up to 35% of the
507	purchase price of a qualifying ownership interest in a Utah small business corporation
508	by the claimant, estate, or trust if:
509	(a) the qualifying ownership interest is issued by a Utah small business corporation that
510	is a life science establishment;
511	(b) the qualifying ownership interest in the Utah small business corporation is purchased
512	for at least \$25,000;
513	(c) the eligible claimant, estate, or trust owned less than 30% of the qualifying
514	ownership interest of the Utah small business corporation at the time of the purchase
515	of the qualifying ownership interest; and
516	(d) on each day of the taxable year in which the purchase of the qualifying ownership
517	interest was made, the Utah small business corporation described in Subsection (2)(a)
518	has at least 50% of its employees in the state.
519	(3) Subject to Subsection (4), the tax credit under Subsection (2):
520	(a) may only be claimed by an eligible claimant, estate, or trust:
521	(i) for a taxable year for which the eligible claimant, estate, or trust holds a tax credit
522	certificate issued in accordance with Section 63N-2-808; and
523	(ii) subject to obtaining a tax credit certificate for each taxable year as required by
524	Subsection (3)(a)(i), for a period of three taxable years as follows:
525	(A) the tax credit in the taxable year in which the purchase of the qualifying
526	ownership interest was made may not exceed 10% of the purchase price of the

527	qualifying ownership interest;
528	(B) the tax credit in the taxable year after the taxable year described in Subsection
529	(3)(a)(ii)(A) may not exceed 10% of the purchase price of the qualifying
530	ownership interest; and
531	(C) the tax credit in the taxable year two years after the taxable year described in
532	Subsection (3)(a)(ii)(A) may not exceed 15% of the purchase price of the
533	qualifying ownership interest; and
534	(b) may not exceed the lesser of:
535	(i) the amount listed on the tax credit certificate issued in accordance with Section
536	63N-2-808; or
537	(ii) \$350,000 in a taxable year.
538	(4) An eligible claimant, estate, or trust may not claim a tax credit under this section for a
539	taxable year if the eligible claimant, estate, or trust:
540	(a) has sold any of the qualifying ownership interest during the taxable year; or
541	(b) does not hold a tax credit certificate for that taxable year that is issued to the eligible
542	claimant, estate, or trust by the office in accordance with Section 63N-2-808.
543	(5) If a Utah small business corporation in which an eligible claimant, estate, or trust
544	purchases a qualifying ownership interest fails, dissolves, or otherwise goes out of
545	business, the eligible claimant, estate, or trust may not claim both the tax credit provided
546	in this section and a capital loss on the qualifying ownership interest.
547	(6) If an eligible claimant is a pass-through entity taxpayer that files a return under Chapter
548	7, Corporate Franchise and Income Taxes, the eligible claimant may claim the tax credit
549	under this section on the return filed under Chapter 7, Corporate Franchise and Income
550	Taxes.
551	(7) A claimant, estate, or trust may not carry forward or carry back a tax credit under this
552	section.
553	(8)[(a) In accordance with Section 59-10-137, the Revenue and Taxation Interim
554	Committee shall study the tax credit allowed by this section and make
555	recommendations concerning whether the tax credit should be continued, modified,
556	or repealed.]
557	[(b)] (a) [Except as provided in Subsection (8)(c), for purposes of the study required by
558	this Subsection (8)
559	(i) To assist the Revenue and Taxation Interim Committee with the review required
560	by Section 59-10-137, the office shall provide the following information, if

561	available to the office, to the Office of the Legislative Fiscal Analyst by electronic
562	means:
563	$[\underbrace{(i)}]$ (A) the amount of tax credit that the office grants to each eligible business
564	entity for each taxable year;
565	[(ii)] (B) the amount of eligible new state tax revenues generated by each eligible
566	product or project;
567	[(iii)] (C) estimates for each of the next three calendar years of the following:
568	[(A)] (I) the amount of tax credit that the office will grant;
569	[(B)] (II) the amount of eligible new state tax revenues that will be generated;
570	and
571	[(C)] (III) the number of new incremental jobs within the state that will be
572	generated; and
573	[(iv)] (D) any other information that the Office of the Legislative Fiscal Analyst
574	requests.
576	$[\underbrace{(i)}]$ ( $\underline{ii}$ ) In providing the information described in Subsection $[\underbrace{(8)(b)}]$ ( $\underline{8}$ )( $\underline{a}$ )( $\underline{i}$ ), the
577	office shall redact information that identifies a recipient of a tax credit under this
578	section.
579	[(ii)] $(iii)$ If, notwithstanding the redactions made under Subsection $[(8)(e)(i)]$ $(8)(a)(ii)$ ,
580	reporting the information described in Subsection [ $(8)(b)$ ] $(8)(a)(i)$ might disclose
581	the identity of a recipient of a tax credit, the office may file a request with the
582	Revenue and Taxation Interim Committee to provide the information described in
583	Subsection $[(8)(b)]$ $(8)(a)(i)$ in the aggregate for all entities that receive the tax
584	credit under this section.
575	[ <del>(e)</del> ]
585	[(d)] (b) [As part of the study required by this Subsection (8), the] The Office of the
586	Legislative Fiscal Analyst shall report to the Revenue and Taxation Interim
587	Committee a summary and analysis of the information provided to the Office of the
588	Legislative Fiscal Analyst by the office under Subsection $[(8)(b)]$ $(8)(a)$ .
589	[(e) The Revenue and Taxation Interim Committee shall ensure that the
590	recommendations described in Subsection (8)(a) include an evaluation of:]
591	[(i) the cost of the tax credit under this section;]
592	[(ii) the purpose and effectiveness of the tax credit; and]
593	[(iii) the extent to which the state benefits from the tax credit.]
594	Section 10. Section <b>59-10-1029</b> is amended to read:

595	59-10-1029 . Nonrefundable alternative energy development tax credit.
596	(1) As used in this section:
597	(a) "Alternative energy entity" means the same as that term is defined in Section
598	79-6-502.
599	(b) "Alternative energy project" means the same as that term is defined in Section
600	79-6-502.
601	(c) "Office" means the Office of Energy Development created in Section 79-6-401.
602	(2) Subject to the other provisions of this section, an alternative energy entity may claim a
603	nonrefundable tax credit for alternative energy development as provided in this section.
604	(3) The tax credit under this section is the amount listed as the tax credit amount on a tax
605	credit certificate that the office issues under Title 79, Chapter 6, Part 5, Alternative
606	Energy Development Tax Credit Act, to the alternative energy entity for the taxable year.
607	(4) An alternative energy entity may carry forward a tax credit under this section for a
608	period that does not exceed the next seven taxable years if:
609	(a) the alternative energy entity is allowed to claim a tax credit under this section for a
610	taxable year; and
611	(b) the amount of the tax credit exceeds the alternative energy entity's tax liability under
612	this chapter for that taxable year.
613	(5)[(a) In accordance with Section 59-10-137, the Revenue and Taxation Interim
614	Committee shall study the tax credit allowed by this section and make
615	recommendations concerning whether the tax credit should be continued, modified,
616	or repealed.]
617	[(b)] (a)(i) [Except as provided in Subsection (5)(b)(ii), for purposes of the study
618	required by this Subsection (5)] To assist the Revenue and Taxation Interim
619	Committee with the review required by Section 59-10-137, the office shall
620	provide the following information, if available to the office, to the Office of the
621	Legislative Fiscal Analyst by electronic means:
622	(A) the amount of tax credit that the office grants to each alternative energy entity
623	for each taxable year;
624	(B) the new state revenues generated by each alternative energy project;
625	(C) the information contained in the office's latest report under Section 79-6-505;
626	and
627	(D) any other information that the Office of the Legislative Fiscal Analyst
628	requests.

629	(ii)(A) In providing the information described in Subsection $[(5)(b)(i)]$ $(5)(a)(i)$ ,
630	the office shall redact information that identifies a recipient of a tax credit
631	under this section.
632	(B) If, notwithstanding the redactions made under Subsection $[(5)(b)(ii)(A)]$
633	(5)(a)(ii)(A), reporting the information described in Subsection $[(5)(b)(i)]$
634	(5)(a)(i) might disclose the identity of a recipient of a tax credit, the office may
635	file a request with the Revenue and Taxation Interim Committee to provide the
636	information described in Subsection $[(5)(b)(i)]$ $(5)(a)(i)$ in the aggregate for all
637	alternative energy entities that receive the tax credit under this section.
638	[(e)] (b) [As part of the study required by this Subsection (5), the] The Office of the
639	Legislative Fiscal Analyst shall report to the Revenue and Taxation Interim
640	Committee a summary and analysis of the information provided to the Office of the
641	Legislative Fiscal Analyst by the office under Subsection $[(5)(b)]$ $(5)(a)$ .
642	[(d) The Revenue and Taxation Interim Committee shall ensure that the
643	recommendations described in Subsection (5)(a) include an evaluation of:]
644	[(i) the cost of the tax credit to the state;]
645	[(ii) the purpose and effectiveness of the tax credit; and]
646	[(iii) the extent to which the state benefits from the tax credit.]
647	(6) A claimant, estate, or trust may not claim or carry forward a tax credit described in
648	Subsection (2) in a taxable year during which the taxpayer claims or carries forward a
649	tax credit under Section 59-10-1106.
650	Section 11. Section <b>59-10-1034</b> is amended to read:
651	59-10-1034. Nonrefundable high cost infrastructure development tax credit.
652	(1) As used in this section:
653	(a) "High cost infrastructure project" means the same as that term is defined in Section
654	79-6-602.
655	(b) "Infrastructure cost-burdened entity" means the same as that term is defined in
656	Section 79-6-602.
657	(c) "Infrastructure-related revenue" means the same as that term is defined in Section
658	79-6-602.
659	(d) "Office" means the Office of Energy Development created in Section 79-6-401.
660	(2) Subject to the other provisions of this section, a claimant, estate, or trust that is an
661	infrastructure cost-burdened entity may claim a nonrefundable tax credit for
662	development of a high cost infrastructure project as provided in this section.

663	(3) The tax credit under this section is the amount listed as the tax credit amount on a tax
664	credit certificate that the office issues under Title 79, Chapter 6, Part 6, High Cost
665	Infrastructure Development Tax Credit Act, to the infrastructure cost-burdened entity for
666	the taxable year.
667	(4) An infrastructure cost-burdened entity may carry forward a tax credit under this section
668	for a period that does not exceed the next seven taxable years if:
669	(a) the infrastructure cost-burdened entity is allowed to claim a tax credit under this
670	section for a taxable year; and
671	(b) the amount of the tax credit exceeds the infrastructure cost-burdened entity's tax
672	liability under this chapter for that taxable year.
673	(5)[(a) In accordance with Section 59-10-137, the Revenue and Taxation Interim
674	Committee shall study the tax credit allowed by this section and make
675	recommendations concerning whether the tax credit should be continued, modified,
676	or repealed.]
677	[(b)] (a)(i) [Except as provided in Subsection (5)(b)(ii), for purposes of the study
678	required by this Subsection (5)] To assist the Revenue and Taxation Interim
679	Committee with the review required by Section 59-10-137, the office shall
680	provide the following information, if available to the office, to the Office of the
681	Legislative Fiscal Analyst:
682	(A) the amount of tax credit that the office grants to each infrastructure
683	cost-burdened entity for each taxable year;
684	(B) the infrastructure-related revenue generated by each high cost infrastructure
685	project;
686	(C) the information contained in the office's latest report under Section 79-6-605:
687	and
688	(D) any other information that the Office of the Legislative Fiscal Analyst
689	requests.
690	(ii)[ $(A)$ ] In providing the information described in Subsection [ $(5)(b)(i)$ ] $(5)(a)(i)$ ,
691	the office shall redact information that identifies a recipient of a tax credit
692	under this section.
693	[(B)] (iii) If, notwithstanding the redactions made under Subsection [(5)(b)(ii)(A)]
694	(5)(a)(ii), reporting the information described in Subsection $[(5)(b)(i)]$ $(5)(a)(i)$
695	might disclose the identity of a recipient of a tax credit, the office may file a
696	request with the Revenue and Taxation Interim Committee to provide the

697	information described in Subsection $[(5)(b)(i)]$ $(5)(a)(i)$ in the aggregate for all
698	infrastructure cost-burdened entities that receive the tax credit under this section
699	[(e)] (b) [As part of the study required by this Subsection (5), the] The Office of the
700	Legislative Fiscal Analyst shall report to the Revenue and Taxation Interim
701	Committee a summary and analysis of the information provided to the Office of the
702	Legislative Fiscal Analyst by the office under Subsection $[(5)(b)]$ $(5)(a)$ .
703	[(d) The Revenue and Taxation Interim Committee shall ensure that the
704	recommendations described in Subsection (5)(a) include an evaluation of:]
705	[(i) the cost of the tax credit to the state;]
706	[(ii) the purpose and effectiveness of the tax credit; and]
707	[(iii) the extent to which the state benefits from the tax credit.]
708	Section 12. Section <b>59-10-1037</b> is amended to read:
709	59-10-1037 . Nonrefundable enterprise zone tax credit.
710	(1) As used in this section:
711	(a) "Business entity" means a claimant, estate, or trust that meets the definition of
712	"business entity" as that term is defined in Section 63N-2-202.
713	(b) "Office" means the Governor's Office of Economic Opportunity created in Section
714	63N-1a-301.
715	(2) Subject to the provisions of this section, a business entity may claim a nonrefundable
716	enterprise zone tax credit as described in Section 63N-2-213.
717	(3) The enterprise zone tax credit under this section is the amount listed as the tax credit
718	amount on the tax credit certificate that the office issues to the business entity for the
719	taxable year.
720	(4) A business entity may carry forward a tax credit under this section for a period that does
721	not exceed the next three taxable years, if the amount of the tax credit exceeds the
722	business entity's tax liability under this chapter for that taxable year.
723	(5) A business entity may not claim or carry forward a tax credit under this part for a
724	taxable year during which the business entity has claimed the targeted business income
725	tax credit under Section 59-10-1112.
726	(6)[(a) In accordance with Section 59-10-137, the Revenue and Taxation Interim
727	Committee shall study the tax credit allowed by this section and make
728	recommendations concerning whether the tax credit should be continued, modified,
729	or repealed.]
730	[(b)] (a)(i) [Except as provided in Subsection (6)(b)(ii), for purposes of the study

731	required by this Subsection (6)] To assist the Revenue and Taxation Interim
732	Committee with the review required by Section 59-10-137, the office shall
733	provide by electronic means the following information, if available to the office,
734	for each calendar year to the Office of the Legislative Fiscal Analyst:
735	(A) the amount of tax credits provided in each development zone;
736	(B) the number of new full-time employee positions reported to obtain tax credits
737	in each development zone;
738	(C) the amount of tax credits awarded for rehabilitating a building in each
739	development zone;
740	(D) the amount of tax credits awarded for investing in a plant, equipment, or other
741	depreciable property in each development zone;
742	(E) the information related to the tax credit contained in the office's latest report
743	under Section 63N-1a-306; and
744	(F) other information that the Office of the Legislative Fiscal Analyst requests.
745	(ii)[ $(A)$ ] In providing the information described in Subsection [ $(6)(b)(i)$ ] $(6)(a)(i)$ ,
746	the office shall redact information that identifies a recipient of a tax credit
747	under this section.
748	[(B)] (iii) If, notwithstanding the redactions made under Subsection [(6)(b)(ii)(A)]
749	(6)(a)(ii), reporting the information described in Subsection $[(6)(b)(i)]$ $(6)(a)(i)$
750	might disclose the identity of a recipient of a tax credit, the office may file a
751	request with the Revenue and Taxation Interim Committee to provide the
752	information described in Subsection $[(6)(b)(i)]$ $(6)(a)(i)$ in the aggregate for all
753	development zones that receive the tax credit under this section.
754	[(e)] (b) [As part of the study required by this Subsection (6), the] The Office of the
755	Legislative Fiscal Analyst shall report to the Revenue and Taxation Interim
756	Committee a summary and analysis of the information provided to the Office of the
757	Legislative Fiscal Analyst by the office under Subsection $[(6)(b)]$ $(6)(a)$ .
758	[(d) The Revenue and Taxation Interim Committee shall ensure that the
759	recommendations described in Subsection (6)(a) include an evaluation of:]
760	[(i) the cost of the tax credit to the state;]
761	[(ii) the purpose and effectiveness of the tax credit; and]
762	[(iii) the extent to which the state benefits from the tax credit.]
763	Section 13. Section <b>59-10-1107</b> is amended to read:
764	59-10-1107 . Refundable economic development tax credit.

765 (1) As used in this section:

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- 766 (a) "Business entity" means a claimant, estate, or trust that meets the definition of "business entity" as defined in Section 63N-2-103.
- (b) "Incremental job" means the same as that term is defined in Section 63N-1a-102.
- 769 (c) "New state revenue" means the same as that term is defined in Section 63N-1a-102.
- (d) "Office" means the Governor's Office of Economic Opportunity.
- 771 (2) Subject to the other provisions of this section, a business entity may claim a refundable 772 tax credit for economic development.
- 773 (3) The tax credit under this section is the amount listed as the tax credit amount on the tax credit certificate that the office issues to the business entity for the taxable year.
- (4)(a) In accordance with any rules prescribed by the commission under Subsection
   (4)(b), the commission shall make a refund to a business entity that claims a tax
   credit under this section if the amount of the tax credit exceeds the business entity's
   tax liability for a taxable year.
  - (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules providing procedures for making a refund to a business entity as required by Subsection (4)(a).
- (5)[(a) In accordance with Section 59-10-137, the Revenue and Taxation Interim
   Committee shall study the tax credit allowed by this section and make
   recommendations concerning whether the tax credit should be continued, modified,
   or repealed.]
  - [(b)] (a) [Except as provided in Subsection (5)(c), for purposes of the study required by this Subsection (5), ] To assist the Revenue and Taxation Interim Committee with the review required by Section 59-10-137, the office shall provide the following information, if available to the office, to the Revenue and Taxation Interim Committee by electronic means:
    - (i) the amount of tax credit the office grants to each taxpayer for each calendar year;
    - (ii) the criteria the office uses in granting a tax credit;
- 793 (iii) the new state revenue generated by each taxpayer for each calendar year;
- (iv) estimates for each of the next three calendar years of the following:
  - (A) the amount of tax credits that the office will grant;
    - (B) the amount of new state revenue that will be generated; and
- (C) the number of new incremental jobs within the state that will be generated;
- 798 (v) the information contained in the office's latest report under Section 63N-2-106;

799	and
800	(vi) any other information that the Revenue and Taxation Interim Committee requests.
801	[(e)(i)] In providing the information described in Subsection $[(5)(b)]$ $(5)(a)$ , the office
802	shall redact information that identifies a recipient of a tax credit under this section.
803	[(ii)] (b) If, notwithstanding the redactions made under Subsection $[(5)(c)(i)]$ (5)(b),
804	reporting the information described in Subsection $[(5)(b)]$ $(5)(a)$ might disclose the
805	identity of a recipient of a tax credit, the office may file a request with the Revenue
806	and Taxation Interim Committee to provide the information described in Subsection [
807	(5)(b)] $(5)(a)$ in the aggregate for all taxpayers that receive the tax credit under this
808	section.
809	[(d) The Revenue and Taxation Interim Committee shall ensure that the
810	recommendations described in Subsection (5)(a) include an evaluation of:]
811	[(i) the cost of the tax credit to the state;]
812	[(ii) the purpose and effectiveness of the tax credit; and]
813	[(iii) the extent to which the state benefits from the tax credit.]
814	Section 14. Section <b>59-10-1108</b> is amended to read:
815	59-10-1108. Refundable motion picture tax credit.
816	(1) As used in this section:
817	(a) "Motion picture company" means a claimant, estate, or trust that meets the definition
818	of a motion picture company under Section 63N-8-102.
819	(b) "Office" means the Governor's Office of Economic Opportunity created in Section
820	63N-1a-301.
821	(c) "State-approved production" means the same as that term is defined in Section
822	63N-8-102.
823	(2) [For a taxable year beginning on or after January 1, 2009, a] A motion picture company
824	may claim a refundable tax credit for a state-approved production.
825	(3) The tax credit under this section is the amount listed as the tax credit amount on the tax
826	credit certificate that the office issues to a motion picture company under Section
827	63N-8-103 for the taxable year.
828	(4)(a) In accordance with any rules prescribed by the commission under Subsection
829	(4)(b), the commission shall make a refund to a motion picture company that claims a
830	tax credit under this section if the amount of the tax credit exceeds the motion picture
831	company's tax liability for the taxable year.
832	(b) In accordance with Title 63G. Chapter 3. Utah Administrative Rulemaking Act. the

833	commission may make rules providing procedures for making a refund to a motion
834	picture company as required by Subsection (4)(a).
835	(5)[(a) In accordance with Section 59-10-137, the Revenue and Taxation Interim
836	Committee shall study the tax credit allowed by this section and make
837	recommendations concerning whether the tax credit should be continued, modified,
838	or repealed.]
839	[(b)] (a)(i) [Except as provided in Subsection (5)(b)(ii), for purposes of the study
840	required by this Subsection (5)] To assist the Revenue and Taxation Interim
841	Committee with the review required by Section 59-10-137, the office shall
842	provide the following information, if available to the office, to the Office of the
843	Legislative Fiscal Analyst by electronic means:
844	(A) the amount of tax credit the office grants to each taxpayer for each calendar
845	year;
846	(B) estimates of the amount of tax credit that the office will grant for each of the
847	next three calendar years;
848	(C) the criteria the office uses in granting a tax credit;
849	(D) the dollars left in the state, as defined in Section 63N-8-102, by each motion
850	picture company for each calendar year;
851	(E) the information contained in the office's latest report under Section 63N-8-105;
852	and
853	(F) any other information that the Office of the Legislative Fiscal Analyst requests.
854	(ii)[ $(A)$ ] In providing the information described in Subsection [ $(5)(b)(i)$ ] $(5)(a)(i)$ ,
855	the office shall redact information that identifies a recipient of a tax credit
856	under this section.
857	[(B)] (iii) If, notwithstanding the redactions made under Subsection $[(5)(b)(ii)(A)]$
858	(5)(a)(ii), reporting the information described in Subsection $[(5)(b)(i)]$ $(5)(a)(i)$
859	might disclose the identity of a recipient of a tax credit, the office may file a
860	request with the Revenue and Taxation Interim Committee to provide the
861	information described in Subsection $[(5)(b)(i)]$ $(5)(a)(i)$ in the aggregate for all
862	taxpayers that receive the tax credit under this section.
863	[(e)] (b) [As part of the study required by this Subsection (5), the] The Office of the
864	Legislative Fiscal Analyst shall report to the Revenue and Taxation Interim
865	Committee a summary and analysis of the information provided to the Office of the
866	Legislative Fiscal Analyst by the office under Subsection $[(5)(b)]$ $(5)(a)$ .

867	[(d) The Revenue and Taxation Interim Committee shall ensure that the
868	recommendations described in Subsection (5)(a) include an evaluation of:]
869	[(i) the cost of the tax credit to the state;]
870	[(ii) the effectiveness of the tax credit; and]
871	[(iii) the extent to which the state benefits from the tax credit.]
872	Section 15. Effective Date.
873	This bill takes effect on May 7, 2025.